



# CITY OF HOUSTON

Finance and Administration  
Department

## Interoffice

Correspondence

**To:** Mayor Bill White  
Members of City Council

**From:** Judy Gray Johnson, Director  
Finance and Administration

**Date:** August 26, 2005

**Subject:** **JULY MONTHLY FINANCIAL  
AND OPERATIONS REPORT**

Attached is the Monthly Financial and Operations Report for the period ending July 31, 2005.

### **Fiscal Year 2005**

The unaudited preliminary figures are shown for each fund. In accordance with government accounting standards for governmental funds, the final revenues for fiscal year 2005 will include revenues earned through June 30 only if they are collected by the end of August. Expenditures through June 30 will include spending incurred before the end of June. As a result, there will be additional adjustments made for both revenues and expenditures. We expect the final undesignated fund balance for the General Fund to be about \$116.2 million.

### **Fiscal Year 2006**

#### **Revenues:**

We have reduced our projection for sales tax revenue by \$1.29 million, based on applying the growth rate assumed when we prepared the FY06 budget to actual revenues for FY05. This decrease is offset by an increase of \$1.5 million for asset forfeitures that is now expected to be received in FY06.

We have not yet received the certified property tax roll. The appraisal district expects to have the certified roll by the end of next week.

#### **Expenditures:**

General Fund expenditures are projected at budget, with the following exceptions:

- The Police department's General Fund expenditure projection is increased by \$1.1 million for the additional crime lab review costs approved by City Council this week. This does not include the additional \$500 thousand that is expected to be paid with funds received from Harris County.

- The Solid Waste department is projected to be under budget by \$2.2 million due to the renegotiation of a disposal contract.
- The actual interest rate on the tax and revenue anticipation notes issued in July was lower than the expected rate, resulting in savings from budget of \$1.1 million.

All other funds are projected at budget for both revenues and expenditures except for Interest Income for the Combined Utility System, which is projected to be \$6.8 million more than budgeted.

Please let me know if you have any questions.

  
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Judy Gray Johnson, Director